

701—49.4(422) Special estimated tax periods.

49.4(1) *Short taxable year.* A taxpayer having a taxable year of less than 12 months must make estimated tax payments if anticipating an Iowa tax liability of \$50 or more for that short tax year if that tax year began prior to January 1, 1990. In the case of short tax years beginning on or after January 1, 1990, taxpayers would be required to make estimated payments if their anticipated Iowa tax liabilities were \$200 or more from incomes not subject to withholding.

49.4(2) *Part-year resident.*

a. General rule. Part-year residents moving into or out of the state must determine their Iowa estimated tax on the ratio of income from Iowa sources not subject to withholding tax to incomes from all sources.

b. Example. An individual moving into the state on April 15, having taxable income from an Iowa source which is not subject to withholding and an expected tax liability of \$150, must make the first estimate payment of \$50 by June 30 and pay the remaining balance of \$100 in two equal installments of \$50 each by September 30 and by January 31 of the succeeding year if the tax year for which the estimate payments were made began prior to January 1, 1990. A similar procedure for making estimate payments would be followed for tax years beginning on or after January 1, 1990, when no estimate payments would be required unless the anticipated state income tax liability for the balance of the tax year would be \$200 or more.

This rule is intended to implement Iowa Code section 422.16.